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Assembly California Legislature

Lloyd E. Levine

Majority Whip
Assemblymember, Fortieth District

Vice-Chair
Public Employees, Retirement
and Social Security
Committee Member
Budget
Elections, Redistricting and
Constitutional Amendments
Environmental Safety
and Toxic Materials
Governmental Organization
Utilities and Commerce
Subcommittee
Budget Subcommittee No. 5

November 26, 2004

California State Lands Commission
C/O Mr. Cy Oggins
100 Howe Avenue, Suite 100-South
Sacramento, CA 95825-8202

U.S. Coast Guard
C/O Lieutenant Ken Kusano
2100 Second Street, S.W.
Washington, D.C. 20593-0001

RE: Cabrillo Port LNG Terminal
Docket No. USCG-2004-16877 State Clearinghouse No. 2004021107

Dear Mr. Oggins and Lieutenant Kusano:

As a member of the California Assembly I represent a constituent base of 434,000 San Fernando Valley residents. Many parts of my district rely upon the widespread use of clean burning and fuel efficient natural gas for a variety of residential, commercial, and industrial applications. As a member of the Assembly Utilities and Commerce Committee I am especially sensitive to the critical role that natural gas plays in our state's and our region's clean air strategies. That is why I am writing today to affirm my support for a LNG facility that will safely provide much needed clean energy resources to fuel our state's growing energy demands.

LNG is widely regarded as a safe energy form that can be directly delivered as natural gas into an existing gas utility's pipeline system. LNG deliveries via the Cabrillo Port will increase available gas supply and act as a competitive balance to moderate prices of natural gas imported to California. The project will also diversify gas supply, contributing to enhanced reliability.

A California LNG delivery option is consistent with the planning of the state's energy and public utility commissions, as well as the state's energy utilities. Furthermore, the recently released draft environment impact report for the Cabrillo Port project concludes, "the proposed project would not contribute significantly to a cumulative adverse effect on the region's environment." This report indicates that the Cabrillo Port project can safely and responsibly deliver the new supplies of natural gas that California needs. The addition of a LNG delivery option in California is sound public policy for all residents of California and I urge you to facilitate the permitting and construction of the Cabrillo Port project in the timeliest manner.

Sincerely,



Lloyd E. Levine
Majority Whip
Assemblymember, 40th District

Source:
Public Meeting - Santa Clarita

Date: 11/29/2004

S002-1

S002-1

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

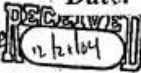
Source:
USCG Docket

2004/S004

STATE CAPITOL
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Assembly
California Legislature

Date: 12/20/04



PEDRO NAVA
ASSEMBLYMEMBER, THIRTY-FIFTH DISTRICT

December 20, 2004

Lieutenant Ken Kusano
Docket Management Facility
U.S. Department of Transportation, Room PL-401
400 Seventh Street SW
Washington, D.C. 20590-0001
Docket # USCG-2004-16877

Cy Oggins
California State Lands Commission
100 Howe Avenue, Suite 100-South
Sacramento, CA 95825
State Clearinghouse # 2004021107

RE: Cabrillo Port Liquefied Natural Gas Project

Dear Lt. Kusano and Mr. Oggins:

I am writing to provide comments on the Draft Environmental Impact Statement/Environmental Impact Report that your agencies have prepared on the above-referenced proposal by BHP Billiton. The report will be used to determine the feasibility of the Australian company's plans to anchor a facility that will store and regassify Liquefied Natural Gas (LNG) off the coast of Ventura County and construct new pipelines both along the ocean floor and onshore at Ormond Beach.

As the newly elected Assemblymember for the 35th District, which includes Ventura and much of Oxnard, I am sensitive to the concerns that my constituents have expressed in regard to this project, including air quality, noise emissions, water quality and environmental justice issues. I also know that during the scoping period for this project, my predecessor, Hannah-Beth Jackson, outlined a number of environmental and safety concerns that she hoped would have been identified and analyzed in the EIR/EIS.

In reviewing the EIR/EIS, I am disappointed to see that many of the issues that were raised by elected leaders and community members have not been adequately addressed in the draft document. Among them:

S004-1

S004-1

Thank you for the information. Each of the named topics is addressed within the context of the following specific issues.

Cabrillo Port Liquefied Natural Gas Project
Page Two
December 20, 2004

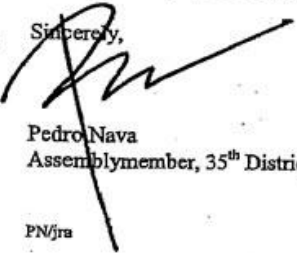
- The report does not thoroughly analyze the feasibility of more environmentally sound energy alternatives to meet current and future demands of the state, including conservation and renewable sources such as wind and solar. S004-2
- The report does not analyze impacts in terms of the full life cycle of the project, including extraction and production of the LNG, transportation, processing, distribution and consumption. S004-3
- The document does not adequately consider impacts of the project as they relate to the probable expansion of the Channel Islands National Marine Sanctuary. S004-4
- Serious safety concerns, including the integrity of underground pipelines near sensitive sites and the possibility of a terrorist attack, are also dismissed in the draft document, rather than fully analyzed and explained. S004-5
- Finally, the report fails to fully examine a range of alternatives to the offshore facility as proposed by BHP Billiton, and instead rejects most alternatives without any in-depth analysis. Such an analysis is critical in order for the lead agencies to make a decision that truly attempts to avoid serious impacts to the environment and the Oxnard community. S004-6

I believe that all projects with potential impacts to the biologically significant and economically important California coastline deserve a high level of scrutiny and analysis. It is not unreasonable, then, to require a very high level of scrutiny on the Cabrillo Port project, which is a large-scale proposal on the coast that is so far untested and unproven. S004-7

It is for this reason that I support a suspension of the deadlines under the Deepwater Port Act, so that the lead agencies have more time to obtain the additional information necessary to complete the environmental review process. S004-8

Thank you for your consideration of my comments.

Sincerely,


Pedro Nava
Assemblymember, 35th District

PN/jra

S004-2

Sections 1.2.2, 1.2.3, 1.2.4, 3.3.1, 3.3.2, and 4.10.1.3 contain information on the need for natural gas, the role and status of energy conservation and renewable energy sources, and the California Energy Action Plan.

Sections 3.3.1 and 3.3.2 address conservation and renewable energy sources, within the context of the California Energy Commission's 2005 Integrated Energy Report and other State and Federal energy reports, as alternatives to replace additional supplies of natural gas.

S004-3

Executive Order 12114, Environmental Effects Abroad of Major Federal Actions, requires Federal agencies to consider the potential environmental effects of major Federal actions that could significantly affect the global commons outside the jurisdiction of any nation. Executive Order 12114 is not applicable to the extraction and development of natural gas in foreign countries.

An evaluation of the Project's environmental effects abroad must also be viewed within the context of section 15040 of the State CEQA Guidelines, which specifically defines and correspondingly limits the authority provided to State and local agencies under the CEQA.

The Applicant has stated that the source of the natural gas for this Project would be either Australia, Malaysia, or Indonesia. As these countries are sovereign nations, the Applicant would be required to comply with those countries' applicable environmental laws and regulations pertaining to the extraction and development of natural gas fields as well as those pertaining to the liquefaction and transfer of LNG to LNG carriers. Consideration of the Applicant's compliance with a foreign nation's applicable laws and regulations is beyond the scope of this EIS/EIR.

The Applicant has indicated that the Scarborough natural gas field in the state of Western Australia could be a potential source of natural gas for the Project. In May 2005, the Honourable Ian Macfarlane, the Australian Federal Minister for Industry, Tourism and Resources, stated, "Development of the Scarborough Field and related support facilities must be carried out in accordance with applicable laws and regulations of both the Australian Government (federal) and the State Government in Western Australia. Any activities will be subject to assessment and approvals under the applicable environmental legislative regimes. These include, among others, the Commonwealth Environment Protection and Biodiversity

Conservation (EPBC) Act 1999, governing matters of national environmental significance, and, under State legislation, the Western Australian Environmental Protection Act 1986. The objectives of the Commonwealth's environmental regulatory regimes are to provide for the protection of the environment and ensure that any petroleum activity is carried out in a way that is consistent with the principles of ecologically sustainable development." (Appendix L contains a copy of this letter.)

Section 1.3 has been revised to include information on Indonesian and Malaysian environmental requirements that would regulate impacts related to producing and exporting natural gas. All three countries have existing LNG liquefaction facilities.

S004-4

The FSRU would be located outside of the current boundary of the Channel Islands National Marine Sanctuary (CINMS) and vessels associated with Cabrillo Port operations would not be expected to enter the CINMS. Sections 4.7.1.4, 4.13.2.2, and 4.20.1.5 discuss the potential expansion of the CINMS boundary, which is not proposed at this time. Sections 4.7.4, 4.15.4, 4.16.4, and 4.18.4 describe potential impacts on the marine environment and proposed mitigation measures to reduce those potential impacts.

S004-5

Table 4.2-2 and Sections 4.2.6.1 and 4.2.7.6 contain information on the threat of terrorist attacks. Section 4.2.8 contains information on potential public safety impacts from natural gas pipelines and mitigation measures to address such impacts. Appendix C3-C contains information on design and safety standards applicable to natural gas pipelines.

Section 4.13.1 contains information on sensitive land uses in proximity to proposed and alternative pipeline routes, such as schools. There are no schools in the immediate vicinity of either of the proposed pipeline routes. Section 4.2.8 describes regulations regarding pipelines, including the requirement to establish public education programs to prevent and respond to pipeline emergencies. Section 4.2.8.4 contains information on the estimated risk of Project pipeline incidents. Section 4.16.1.2 describes emergency planning and response capabilities in the Project area.

The proposed pipelines within Oxnard city limits would meet standards that are more stringent than those of existing pipelines because they would meet the minimum design criteria for a U.S. Department of Transportation (USDOT) Class 3 location. Also, MM PS-4c includes the installation of additional mainline valves

equipped with either remote valve controls or automatic line break controls. SoCalGas operates high-pressure natural gas pipelines throughout Southern California.

S004-6

Sections 1.2, 3.1, 3.2, 3.3.1, 3.3.2, 3.3.3, 4.10, and 4.10.1.3 contain information on the range of alternatives evaluated. Under NEPA and the CEQA, a reasonable range of alternatives must be considered. NEPA requires consideration of a "reasonable" number of alternatives. In determining the scope of alternatives, the emphasis is on "reasonable." "Reasonable" alternatives include those that are practical and feasible from the technical and economic standpoint and using common sense (CEQ 40 Questions; #2a).

The information must be sufficient to enable reviewers and decision-makers to evaluate and compare alternatives. The State CEQA Guidelines section 15126.6(a) provides, in part, "An EIR shall describe a range of reasonable alternatives to the project, or to the location of the project, which would feasibly attain most of the basic objectives of the project but would avoid or substantially lessen any of the significant effects of the project, and evaluate the comparative merits of the alternatives. An EIR need not consider every conceivable alternative to a project."

The EIS/EIR initially evaluated 18 locations for the FSRU as potential locations for the deepwater port. It built on previous California Coastal Commission studies that evaluated nearly 100 locations. Sections 3.3.7 and 3.3.9 discuss alternate locations and technologies that were considered.

S004-7

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

S004-8

All deepwater port applications fall under the authority of the Deepwater Port Act, which requires that a decision on the application be made within 330 days of the publication of the Notice of Application in the Federal Register. The Notice of Application for the Cabrillo Port Project was published in the Federal Register on January 27, 2004. Although the comment period (53 days) could not be extended at that time, a Revised Draft EIR was recirculated in March 2006 under the CEQA for an additional public review period of 60 days. Section 1.4.1 contains additional information on this topic.

Section 1.5 contains information on opportunities for public comment. After the MARAD final license hearing, the public will have 45 days to comment on the Final EIS/EIR and the license application. The Federal and State agencies will have an additional 45 days to provide comments to the MARAD Administrator. The Administrator must issue the Record of Decision within 90 days after the final license hearing. The CSLC will hold a hearing to certify the EIR and make the decision whether to grant a lease. The California Coastal Commission will also hold a hearing. Comments received will be evaluated before any final decision is made regarding the proposed Project.

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Assembly
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PEDRO NAVA
ASSEMBLYMEMBER, THIRTY-FIFTH DISTRICT

FAX COVER SHEET

TO: Lt. Ken Kusano FAX #: 202-267-4570

OFFICE: US Coast Guard

FROM: Sen Ancone

RE: Cabrillo Port LNG Project

PAGES INCLUDING COVER: 3 DATE: 12-20

COMMENTS: _____

If you do not receive all of the pages, please call (805) 564-1649